

**PENTAGON RENOVATION PROGRAM (PENREN)**

AUG 13 2001

**INVOICE PROCESSING**

**PMP 99-36A**

Policy OPR: Acquisition Policy Group

**1. References.**

- a. FAR Subpart 32.1, Non-Commercial Item Purchase Financing
- b. FAR Subpart 32.2, Commercial Item Purchase Financing
- c. FAR Subpart 32.5, Progress Payments Based on Costs
- d. FAR Subpart 32.9, Prompt Payment, (OMB Circular 125, Prompt Payment)
- e. FAR Subpart 32.10, Performance-Based Payments
- f. Also see DFAR Subparts 232.1, .2, .5, .9, and .10

**2.0 Applicability:** This policy applies to all members of PENREN.

**3.0 Policy:** Invoices will be processed in accordance with the above references and with this Policy to:

- a. Effect timely payment after receipt of supplies or services by the Government.
- b. Dispatch proper Invoices to the Designated Payment Office (DPO) to allow payment within 14 days for construction progress payments and 30 days for other types of payments.
- c. The Contracting Office shall be designated as the billing office. The KO shall be designated as the point of contact within the billing office to receive the original invoice.

**4.0 Process.** The 14 and 30 calendar day countdown begins after the KO receives a proper invoice from the contractor, or after acceptance of supplies or services, whichever occurs later. In the event that neither receipt nor acceptance is documented, constructive acceptance will occur on the seventh calendar day after supplies are delivered or services are completed. Invoices must be date stamped on the actual day of receipt by the KO. Otherwise, the payment due date shall be the 14<sup>th</sup> day after the date of the contractor's invoice. See enclosure for details of the process.

**5.0 Effective Date.** This Policy is effective immediately and supercedes PMP 99-36 and PMP 99-37.

Enclosure:  
As stated

  
Walker Lee Evey  
Program Manager

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**INVOICE PROCESSING**

- a. This Policy addresses the approval of invoices, the signing of DD Form 250, and the forwarding of these documents to the Designated Payment Office (DPO) to effect timely payment to the contractor. Processing may vary depending on when and how the original contract was written and the differences among contracts.
- b. The COR will be responsible for verifying delivery or performance and for reviewing and approving invoices. Verification of delivery is normally by signature on a DD Form 250. Instructions pertaining to DD Forms 250 and invoices will be specified in the contract and/or the Task Order. Larger contracts or multiple Task Orders involving diverse locations, or two or more Integrated Project Teams may require the appointment of two or more Contracting Officer's Representatives (CORs).
- c. The contractor is responsible for delivery of goods and services in accordance with the terms and conditions of the contract and/or Task Order. The contractor is also responsible for the timely submission of the invoice in accordance with the terms and conditions of the contract and/or the Task Order.
- d. The COR is encouraged to coordinate with the contractor concerning items delivered, percent of work accomplished, or hours of work performed prior to submission of the invoice. The COR should make efforts to resolve differences prior to submission of the invoice by the contractor to the KO. Invoices that include costs from other contracts or other Task Orders are not acceptable.
- e. The Contracting Office shall be identified as the Designated Billing Office in the contract or Task Order. The KO shall be designated as the point of contact within the billing office to receive the original invoice.
- f. The Designated Paying Office (DPO) will be the Washington Headquarters Service (WHS) (Attn: Accounts Payable Office) for contracts funded with PENREN revolving funds. New contracts will stipulate WHS as DPO, when funding is appropriate, and instruct the contractor to send original invoices to the KO, as the designated billing office, with a copy of the invoice to the COR, unless directed to process otherwise in the contract or Task Order. Some older contracts may be serviced by another DPO.
- g. The use of different type funds may require different DPOs. Payment to the contractor will be accomplished consistent with the requirements of the regulations and the contract either by direct deposit wire transfer or by check.
- h. The KO, upon receipt of the invoice from the contractor, will date stamp the face page of the invoice. The KO will insure that invoices are hand carried or expeditiously transmitted to the COR. The COR will review and approve the invoice by a hand written approval, signature, and date on the DD Form 250, after coordination with the IPTL.

- i. The COR will hand-carry the approved/disapproved invoice to the KO within seven (7) calendar days of the receipt date stamp or date of the invoice, if the invoice is not stamped. Other approval techniques, acceptable to the KO and to the DPO, may be used.
- j. The KO will sign the DD Form 250 and forward it and the approved invoice to the DPO. The KO will also send a copy of the signed DD Form 250 and the approved invoice, without the back-up material, to PENREN Resource Management.
- k. Receipt of a proper invoice by the KO or acceptance of supplies or services, whichever occurs later, officially starts the 14 or 30-day Prompt Payment 'Clock'. The Prompt Payment schedules are:
  - (1) Construction contracts, Progress Payments. Fourteen calendar days. (See paragraph (a)(i)(A), FAR Clause 52.232-27 and DFAR 232.905(1))
  - (2) Construction contracts, Final Payment. Thirty calendar days. (See paragraph (a)(ii)(A), FAR Clause 52.232-27)
  - (2) Other type payments or contracts. Thirty calendar days. (See FAR 32.905(a)(1) and (b)(1))
- l. The KO will return improperly executed invoices to the contractor with an explanation to the contractor for the return. The KO has seven calendar days to effect return or process the revised invoice in accordance with FAR Clause 52.232-27 and DFARS 232.905(1). Also, when the KO withholds an invoiced cost, the KO will advise the contractor by letter stating the reasons and include a copy of the approved portion of the invoice.
- m. Contracts and Task Orders using DFAS as the DPO may continue this practice. However, the KO should review these contractual instruments and consider the appropriateness of changing them to WHS as DPO.
- n. Invoices for contracts or Task Orders, previously using Corp of Engineers Financial Management System (CEFMS), may continue using that practice.